

M/D 89/0002

Outgoing

Peter Brinton <peterbrinton@utah.gov>



DOGM mine reclamation cost calculation example (except demolition)

1 message

Peter Brinton <peterbrinton@utah.gov>

Thu, Jun 12, 2014 at 11:01 AM

To: Jenna Jorgensen <jenna.j@jonesanddemille.com>

Attached is an example of earthwork & revegetation cost calculations. It doesn't have demolition costs - let me know if you have questions on that. In this case, the person who prepared the calc's chose to provide some additional information and re-formatted cells a little bit, but the basic structure of the Excel documents from our website is there.

A few specific things to know:

- 1) the escalation factor for 2014 is 1.9% (0.019) (see the Total page - first in the attached example)
- 2) the Division typically requests that people use \$1000/acre for determining revegetation costs
- 3) Here's how equipment overhead is incorporated into the calculation spreadsheet:

For use in the Division's standardized spreadsheet:

Equipment Cost (\$/hr) = Modified Rental Rate (\$/hr) + Operation Cost (\$/hr)

Modified Rental Rate (\$/hr) = [Monthly Rental Rate (\$/mo.) / Month Hours (hr/mo.)] + [Equipment Overhead Ratio * Monthly Rental Rate (\$/mo.) / Month Hours (hr/mo.)]

Equipment Overhead Ratio is 0.1 (as shown in the N. Grantsville example)

Month Hours are 176 hrs/mo.

Peter

On Thu, Jun 12, 2014 at 9:09 AM, Peter Brinton <peterbrinton@utah.gov> wrote:

Here's the link: http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html

Peter

On Wed, Jun 11, 2014 at 4:11 PM, Jenna Jorgensen <jenna.j@jonesanddemille.com> wrote:

Hi Peter,

I'm trying to chase down the last bit of information for the Redmond Minerals NOI. You provided comments to Glen last August. The last comment (#111) says "Please provide revised calculations using the Division's forms. Contact the Division for more information" in reference to section **R647-4-113 - Surety**. I have been unable to find any such forms in my files or online. Could you point me to where they can be found, or provide them? Thank you.

Jenna Jorgensen
Environmental Specialist

435.896.8266 x 121 office

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Infrastructure professionals



From: Jenna Jorgensen **On Behalf Of** Glen Nebeker

Sent: Monday, June 09, 2014 10:20 AM

To: Jenna Jorgensen

Subject: FW: Redmond Minerals comments

From: Peter Brinton [mailto:peterbrinton@utah.gov]

Sent: Monday, August 19, 2013 12:05 PM

To: Glen Nebeker

Cc: Mike Forbush

Subject: Re: Redmond Minerals comments

Hi Glen,

6/12/2014

State of Utah Mail - DOGM mine reclamation cost calculation example (except demolition)

Sure. Here's the attached Word file. I wrote a few comments where I remember thinking we had agreed on something different, but I didn't remember the reasoning or what might have decided. So feel free to call to discuss.

Peter

On Mon, Aug 19, 2013 at 11:55 AM, Glen Nebeker <Glen.N@jonesanddemille.com> wrote:

Brent and I are working with Mike on the comments you sent on the NOI. Would it be possible to get a copy of the comments in Word? I am assuming that is what the table was created. Some of the comments, mainly on the maps, change the direction or information that we agreed to in our earlier meetings. It would make it easier to discuss and track our comments can use "track changes" on the table.

Peter Brinton

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Utah Division of Oil, Gas & Mining

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Days: M - Th, Every Other Friday

Hours: 7:30am - 5:00pm

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 example reclamation cost calcs redux.pdf
11043K

See 2013 approved NOI for Black Shale mine,
reclamation cost calculations (App. F)